GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1290
ANSWERED ON:02.08.2005
INDUSTRIAL CAPITAL INVESTMENT
Jogi Shri Ajit

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the capital investment made in the industries of the country during last two years and the current financial year;

(b) whether China has attracted more capital investment in comparison to India;

(c) if so, the details thereof; and

(d) the steps taken to get more industrial capital investment in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(SHRI E.V.K.S. ELANGOVAN)

(a) The capital invested as measured by the Gross Capital Formation by industry of use as compiled by the Central Statistical Organization in respect of Industry was Rs.1,87,401 crore in the year 2002-03 and Rs.2,35,548 crore in the year 2003-04(at current prices).

(b)&(c) As per Asian Development Outlook, 2005 published by the Asian Development Bank, Gross Domestic Investment was 45.6% of GDP in China compared to 26.5% of GDP in India during the year 2004.

(d) Under the liberalized Industrial Policy, decision to set up industry depends upon the commercial judgement of the entrepreneur which, in turn, is also based on the initiatives taken by the State Government by way of providing basic infrastructural facilities and other incentives. Industrial Development is primarily the responsibility of the concerned State Government. The Central Government supports the efforts by providing support/incentive under its various Schemes, particularly for development of industrially disadvantageous areas.